

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Berkshire Gas Company, D.T.E. 02-56

**First Set of Information Requests of the Department of Telecommunications and
Energy to Berkshire Gas Company**

Pursuant to 220 C.M.R. § 1.06(6)(c) the Department of Telecommunications and Energy (“Department”) submits to Berkshire Gas Company (“Berkshire” or “Company”) the following Information Requests. The following Information Requests refer to Berkshire’s Filing (“Filing”) regarding the Berkshire Gas Company/EnCana Corporation Gas Sales Agreement in D.T.E. 02-56.

- D.T.E. 1-1 Please refer to the Company’s filing, and to the Agency and Services Agreements. Please explain how different are the functions that the Northeast Gas Markets LLC (“NEGM”) will perform under these agreements from those that BP Energy will perform under Berkshire’s Gas Portfolio Optimization and Gas Sales Purchase Agreements in D.T.E. 02-19 (2002). In your response, please indicate in a tabular form all the services that BP Energy will provide under D.T.E. 02-19 (2002) and those that NEGM will provide under these agreements.
- D.T.E. 1-2 Please refer to the Company’s filing, and to Exhibit KLZ-7: “Responses to November 21, 2001 RFP”. Please explain why Berkshire did not solicit RFPs on a stand-alone basis given that BP Energy, in its letter dated December 20, 2001 responding to the Working Group’s November, 2001 RFP, indicated its readiness to consider RFPs “if the consortium chooses to act as independent LDCs rather than a collective group.”
- D.T.E. 1-3 Please refer to page 7 of the Company’s filing. What was the total cost associated with conducting the renewal process on a coordinated basis? What was Berkshire’s share of the costs? Please explain the basis for cost sharing among the Working Group members.
- D.T.E. 1-4 Please refer to page 16 of the Company’s filing. The fee that each customer, including Berkshire, shall pay to NEGM each month under the Services Agreement is calculated as the product of three terms. With regard to the third term, please explain why the fee should be calculated “without regard to actual quantities of gas delivered to such customer for that month”.
- D.T.E. 1-5 Please refer to page 16 of the Company’s filing. Please outline the portfolio objectives in the Company’s most recent Forecast and Supply Plan submitted to the Department in docket D.T.E. 02-17. In relation to these objectives, show how the Gas Sales Agreement is in the public interest.

- D.T.E. 1-6 Please refer to pages 16 and 17 of the Company's filing. In relation to Berkshire's resource portfolio, please discuss how the gas supply from western Canada under this agreement compares with gas supply from eastern Canada, including the Sable Islands, in terms of cost, diversity and stability attributes of the Company's resource portfolio.
- D.T.E. 1-7 Please refer to page 17 of the Company's filing. Please present evidence to support the Company's assertion that "[t]he Gas Sales Agreement also compared favorably to the range of Canadian supply alternatives available at the time of the Working Group's solicitation and contract negotiation efforts."
- D.T.E. 1-8 Please refer to page 17 of the Company's filing. The Company states that "the continuing employment of NEGM helps reduce cost while enhancing flexibility by providing the Company with the opportunity to procure additional Canadian supplies." Please explain whether the selection of NEGM to provide services under the Services and Agency Agreements was based on a competitive bidding process.
- D.T.E 1-9 Please refer to page 8 of Exhibit KLZ-5 of the Company's filing. Did any of the initial Working Group members or prospective customers opt out of the Gas Sales, Agency and Services Agreements during or after the bidding process was completed? Please explain.
- D.T.E. 1-10 Please refer to Section 4.4 of Exhibit KLZ-1, "Gas Sales Agreement". Please discuss whether Encana defaulted on its gas supply obligations to customers in the past 10 years.